

TESTIMONY BEFORE THE HOUSE LOCAL GOVERNMENT COMMITTEE IN SUPPORT OF SENATE BILL 393/HOUSE BILL 4070

Wednesday, January 17, 2018

Good Morning, Chairman Lower and Members of the House Local Government Committee. My name is Becky Goodman, and I am the Chair of the Michigan Downtown Association (MDA) Board of Directors. I am also the Downtown Director for the City of Petoskey, and have 25 years of experience in municipal government and downtown development.

Founded in 1980, the Michigan Downtown Association (MDA) is a state-wide, non-profit organization and a driving force in the interest and growth of downtowns and communities throughout Michigan. We have over 200 members representing downtowns across the state, from very small downtown development authorities (DDAs) to very large DDAs.

MDA supports the legislation before you today (Senate Bill 393 and House Bill 4070), as a thoughtful approach to addressing the perceived issues related to our state's various tax increment financing authorities.

MDA believes any entity entrusted with taxpayer dollars should be transparent and accountable to those taxpayers. Our members are already required by law to:

- Submit annual reports to the Dept. of Treasury;
- · Hold meetings in compliance with the State's Open Meetings Act;
- Adopt an annual budget. That budget must be consistent with the downtown development plan. Then, the municipality's governing body must approve the DDA's budget;
- Ensure that all records associated with this process are public, and available under the Freedom of Information Act.

Senate Bill 393 and House Bill 5070 would:

- Recodify several TIF statutes, moving them all under one act, to streamline administration of TIF authorities;
- Increase reporting requirements for DDAs, and establish the same new reporting standards for all TIF authorities;
- Establish penalties for noncompliance with those requirements;

 Require authorities to hold informational meetings, and take other steps to make certain that already-public information is easily available.

In closing, while we believe the vast majority of downtown development authorities do comply with the annual reporting requirements already in law, this bill creates a mechanism to hold those authorities that do not comply with current law accountable, and ensures even greater transparency in the process. Thank you again, for your consideration of my comments. Please do not hesitate to contact me or MDA's governmental affairs consultant, Jean Doss with Capitol Services, Inc., with any questions or concerns.

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